

REMARKS

This is a full and timely response to the non-final Official Action mailed May 7, 2004 (Paper No. 4292004). Reconsideration of the application in light of the above amendments and the following remarks is respectfully requested.

By the forgoing amendment, claims 1, 8, 27 and 29 have been amended, and claims 5 and 6 have been cancelled. Claims 4 and 16-19 were cancelled previously. No new claims are added. Claims 20-26 have been withdrawn from consideration. Thus, claims 1-3, 7-15 and 27-36 are currently pending for the Examiner's consideration.

With regard to the prior art, the recent Office Action rejected claims 1, 2, 5, 6, 8, 10-14, 27, 29-30 and 32-36 as anticipated under 35 U.S.C. § 102(b) by U.S. Patent No. 5,650,974 to Yoshimura ("Yoshimura"); and claims 7, 15 and 31 were rejected under 35 U.S.C. § 103(a) over the teachings of Yoshimura in combination with those of U.S. Patent Application Publication No. 2002/0154137 to Ben-David. For at least the following reasons, these rejections are respectfully traversed.

Claim 8 recites:

A method of providing power to processing and memory circuitry of a smart card said method comprising:

providing a charged primary battery and a charged secondary battery in said smart card prior to initial installation of said smart card in a host device;

determining whether said primary or secondary battery has a higher voltage prior to initial installation of said smart card in said host device; and

providing power to said processing and memory circuitry with whichever battery has said higher voltage prior to initial installation of said smart card in said host device.

In contrast, Yoshimura, fails to teach or suggest a method including the steps of (1) providing a charged primary battery and a charged secondary battery in said smart card *prior to initial installation of said smart card in a host device*; (2) determining whether said primary or secondary battery has a higher voltage *prior to initial installation of said smart card in said host device*; and (3) providing power to said processing and memory circuitry with whichever battery has said higher voltage *prior to initial installation of said smart card in said host device*.

Yoshimura only teaches that the secondary battery is charged when the unit is installed in a host device. (Col. 9, lines 24-26). Nowhere does Yoshimura teach or suggest that the secondary battery is charged prior to initial installation of the unit in a host device as claimed. Nowhere does Yoshimura teach or suggest that the secondary battery might provide power for the unit prior to initial installation in a host device based on which battery has a higher voltage as claimed. Moreover, the Office Action does not address the recitations of claim 8 that specify method steps taken before the claimed smart card is initially installed in a host device.

Thus, the cited prior art fails to teach or suggest all the features of claim 8. "A claim is anticipated [under 35 U.S.C. § 102] only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 2 U.S.P.Q.2d 1051, 1053 (Fed. Cir. 1987) (emphasis added). See M.P.E.P. § 2131. Consequently, the rejection of claim 8 based on Yoshimura

should be reconsidered and withdrawn. For the same reasons, claims 9-15 and new claims 32-26, which all depend from claim 8, should be allowable over the prior art of record.

Claim 27 similarly recites:

A method of providing power to processing and memory circuitry of a smart card said method comprising:

providing power to said processing and memory circuitry with a primary non-rechargeable battery disposed in said smart card prior to installation of said smart card in a host device;

charging a secondary battery prior to initial installation of said smart card in a host device; and

powering said processing and memory circuitry with said secondary battery prior to initial installation of said smart card in a host device.

(emphasis added).

As demonstrated above, Yoshimura does not teach or suggest charging a secondary battery prior to initial installation of the unit in a host device. Yoshimura also does not teach or suggest the possibility of powering the circuitry of the unit with the secondary battery (as opposed to the primary battery) prior to installation of the unit in a host device.

Again, "[a] claim is anticipated [under 35 U.S.C. § 102] only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 2 U.S.P.Q.2d 1051, 1053 (Fed. Cir. 1987) (emphasis added). See M.P.E.P. § 2131. Consequently, the rejection of claims 27-31 based on Yoshimura should be reconsidered and withdrawn.

Claim 1 recites:

A smart card comprising:

processing and memory circuitry;

an interface for electrically connecting said smart card to a host device, said interface comprising a power line for receiving power from said host device;

a primary battery disposed in said smart card for providing power to said processing and memory circuitry; and

a secondary rechargeable battery disposed in said smart card for providing power to said processing and memory circuitry;
recharging circuitry for recharging said secondary battery with power from said host device; and
means for preventing said primary and secondary batteries from charging each other including a first diode preventing discharge of said secondary battery into said primary battery and a second diode preventing discharge of said primary battery into said secondary battery.
(emphasis added).

In contrast, Yoshimura fails to teach or suggest a diode for preventing discharge of a main battery (BAT1) into a secondary battery (BAT2). The Office Action acknowledges this, but argues that a transistor switch (SW3) taught by Yoshimura is “functionally equivalent to a diode and thereby prevent[s] any discharge” into the secondary battery. (Paper No. 4292004, p. 3). This, however, is clearly incorrect.

A transistor switch is *not* functionally equivalent to a diode. A diode only allows current to flow in one direction. A transistor switch selectively allows current to flow or not flow based on a gate signal. Applicant’s design is, therefore, different than that taught by Yoshimura. Applicant’s design using two diodes is simpler.

"A claim is anticipated [under 35 U.S.C. § 102] only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 2 U.S.P.Q.2d 1051, 1053 (Fed. Cir. 1987) (emphasis added). See M.P.E.P. § 2131. Consequently, the rejection of claims 1-3 and 7 based on Yoshimura should be reconsidered and withdrawn.

For the foregoing reasons, the present application is thought to be clearly in condition for allowance. Accordingly, favorable reconsideration of the application in light of these remarks is courteously solicited. If any fees are owed in connection with this paper, which

have not been elsewhere authorized, authorization is hereby given to charge those fees to Deposit Account 18-0013/80113-0230 in the name of Rader, Fishman & Grauer PLLC. If the Examiner has any comments or suggestions which could place this application in even better form, the Examiner is requested to telephone the undersigned attorney at the number listed below.

Respectfully submitted,



Steven L. Nichols
Registration No. 40,326

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Steven L. Nichols, Esq.
Managing Partner, Utah Office
Rader Fishman & Grauer PLLC
River Park Corporate Center One
10653 S. River Front Parkway, Suite 150
South Jordan, Utah 84095

(801) 572-8066
(801) 572-7666 (fax)